



Australian Bureau of Statistics

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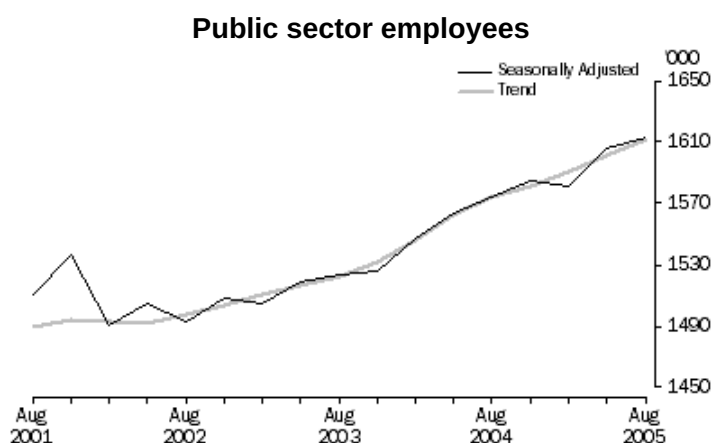
Summary

Main Features

SEPTEMBER KEY FIGURES

	Aug 2005 '000	May 2005 to Aug 2005 % change	Aug 2004 to Aug 2005 % change
PUBLIC SECTOR EMPLOYEES			
Trend estimates			
Commonwealth Government	251.5	0.5	2.0
State Government	1 192.0	0.7	2.3
Local Government	168.2	0.9	3.9
Total Public Sector	1 611.7	0.7	2.4
Seasonally Adjusted estimates			
Commonwealth Government	251.2	0.1	1.6
State Government	1 194.0	0.6	2.6
Local Government	167.3	-0.5	3.0
Total Public Sector	1 612.5	0.4	2.5

	Sep Qtr 2005 \$m	Jun Qtr 2005 to Sep Qtr 2005 % change	Sep Qtr 2004 to Sep Qtr 2005 % change
PUBLIC SECTOR GROSS EARNINGS			
Original estimates			
Commonwealth Government	3 647.6	-8.0	8.3
State Government	15 408.7	-1.2	6.5
Local Government	1 753.5	4.9	8.6
Total Public Sector	20 809.8	-2.0	7.0



SEPTEMBER KEY POINTS

TREND ESTIMATES

- From August 2004 to August 2005 the number of public sector employees increased by 37,600 (2.4%) to 1,611,700
- In the same period the number of employees increased in local government by 3.9%, state government by 2.3% and in Commonwealth government by 2.0%.

NOTES

FORTHCOMING ISSUES

ISSUE (QUARTER)

December 2005

March 2006

Release Date

23 March 2006

15 June 2006

NOTES ON ESTIMATES

CONCURRENT SEASONAL ADJUSTMENT

The ABS has introduced concurrent seasonal adjustment to the Survey of Employment and Earnings (SEE), replacing the forward factor adjustment method previously used to produce seasonally adjusted estimates. Concurrent seasonal adjustment uses original data up to and including the current quarter to update seasonal factors each quarter, whereas the forward factor adjustment method only updates seasonal factors annually.

By increasing the frequency of seasonal reanalyses from annually to quarterly, concurrent seasonal adjustment produces initial seasonally adjusted estimates that are closer on average to their final values, as any changes in seasonality are picked up sooner. See paragraphs 17 to 20 of the Explanatory Notes for more information on the concurrent seasonal adjustment method.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Peta Sheehan on Perth (08) 9360 5141.

TABLES

1. PUBLIC SECTOR EMPLOYEES, Level of government - States & territories

	May 2005				August 2005			
	C'wealth '000	State '000	Local '000	Total '000	C'wealth '000	State '000	Local '000	Total '000
Trend								
New South Wales	59.6	372.3	51.1	483.0	59.8	370.5	51.2	481.5
Victoria	56.9	262.2	39.1	358.2	57.0	266.1	39.5	362.6

Queensland	32.6	242.4	41.6	316.6	32.5	245.4	42.7	320.6
South Australia	14.8	100.8	10.1	125.7	15.0	101.8	10.3	127.1
Western Australia	15.9	132.1	17.2	165.2	16.0	134.0	17.1	167.1
Tasmania	6.1	35.2	na	45.6	6.2	35.7	na	46.1
Northern Territory	3.4	19.7	na	26.5	3.4	19.8	na	26.5
Australian Capital Territory	60.9	19.0	..	79.9	61.6	18.7	..	80.3
Australia	250.2	1 183.7	166.7	1 600.6	251.5	1 192.0	168.2	1 611.7

Seasonally Adjusted

New South Wales	59.5	370.7	51.0	481.2	60.0	371.7	51.3	483.0
Victoria	57.1	262.8	39.4	359.3	56.6	266.3	39.2	362.1
Queensland	32.8	242.8	42.0	317.6	32.4	246.7	42.6	321.7
South Australia	14.8	102.2	10.0	127.0	15.0	101.8	10.4	127.2
Western Australia	16.0	133.5	17.2	166.7	16.0	133.8	17.0	166.8
Tasmania	6.2	35.3	na	45.6	6.2	35.9	na	46.2
Northern Territory	3.5	19.8	na	26.8	3.4	19.8	na	26.3
Australian Capital Territory	61.0	19.7	..	80.7	61.6	18.0	..	79.6
Australia	250.9	1 186.8	168.2	1 605.9	251.2	1 194.0	167.3	1 612.5

Original

New South Wales	60.0	375.4	51.2	486.6	59.8	375.3	50.8	486.0
Victoria	56.7	266.2	39.5	362.4	56.4	268.3	38.7	363.4
Queensland	32.9	245.1	41.6	319.6	32.2	249.3	42.9	324.4
South Australia	14.7	102.9	10.0	127.6	15.0	102.4	10.5	127.9
Western Australia	16.1	134.1	17.5	167.6	16.0	135.0	16.6	167.6
Tasmania	6.1	36.0	4.2	46.2	6.2	36.6	4.0	46.8
Northern Territory	3.6	20.0	3.5	27.0	3.4	19.8	3.2	26.3
Australian Capital Territory	61.4	19.9	..	81.3	61.5	18.3	..	79.8
Australia	251.4	1 199.6	167.3	1 618.3	250.5	1 205.0	166.7	1 622.2

.. not applicable

na not available

2. PUBLIC SECTOR GROSS EARNINGS, Level of government - States & territories: Original

	June Quarter 2005				September Quarter 2005			
	C'wealth \$m	State \$m	Local \$m	Total \$m	C'wealth \$m	State \$m	Local \$m	Total \$m
New South Wales	916.8	5 302.9	566.8	6 786.5	847.2	5 310.6	595.3	6 753.2
Victoria	900.3	3 277.4	340.3	4 517.9	837.7	3 205.2	360.6	4 403.4
Queensland	485.1	3 111.8	436.7	4 033.7	437.8	3 201.3	464.3	4 103.5
South Australia	224.5	1 251.3	107.6	1 583.4	205.4	1 272.8	118.2	1 596.4
Western Australia	228.2	1 643.6	160.9	2 032.6	205.6	1 508.9	156.5	1 871.0
Tasmania	90.4	422.1	39.9	552.5	80.3	418.5	39.9	538.7
Northern Territory	51.6	297.3	19.1	367.9	46.7	259.5	18.6	324.8
Australian Capital Territory	1 066.5	289.6	..	1 356.2	986.9	232.0	..	1 218.9
Australia	3 963.5	15 596.0	1 671.2	21 230.7	3 647.6	15 408.7	1 753.5	20 809.8

.. not applicable

3. PUBLIC SECTOR EMPLOYEES AND GROSS EARNINGS, Industry: Original

	Employees		Gross earnings	
	May 2005 '000	August 2005 '000	June Quarter 2005 \$m	September Quarter 2005 \$m
Agriculture, forestry and fishing	3.4	3.3	44.7	41.9
Manufacturing	5.0	5.0	87.9	91.9
Electricity, gas and water supply	43.4	43.8	763.5	828.1
Construction	4.5	3.8	61.9	53.2
Transport and storage	40.9	40.4	681.3	762.7
Communication services	74.6	np	1 124.1	np
Finance and insurance	10.3	10.5	165.4	180.9
Property and business services	28.6	28.4	467.5	434.2
Government administration and defence	419.7	431.4	5 564.5	5 491.4
Education	499.6	498.7	5 917.5	5 489.1
Health and community services	351.2	346.2	4 361.6	4 503.8
Cultural and recreational services	28.0	28.3	379.0	355.1

Personal and other services	108.1	107.4	1 601.7	1 510.1
All industries(a)	1 618.3	1 622.2	21 230.7	20 809.8

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes Mining, Wholesale trade, Retail trade and Accommodation, cafes and restaurants.

About this Release

Contains estimates of gross earnings and number of public sector employees by level of government by state. Also contains estimates of gross earnings and number of public sector employees by industry for Australia. Additional unpublished information is available.

Replaces 6248.0

Explanatory Notes

Explanatory Notes

EXPLANATORY NOTES

INTRODUCTION

1 Estimates of the number of wage and salary earners (employees) in the public sector, and their quarterly gross earnings, are obtained from the quarterly Survey of Employment and Earnings - Public Sector (SEE). Information for both the private and public sectors was collected between the September quarter 1983 and the December quarter 2001 inclusive. Commencing with the March quarter 2002 survey, information is collected for the public sector only.

2 Care should be taken when comparing data for the public sector over time, as the privatisation of public financial and public trading enterprises has affected estimates at the sector level over recent years. Mainly Commonwealth government and state government enterprises, principally engaged in Electricity, gas and water supply, Transport and storage and Finance and insurance, have been privatised.

CONCEPTS, SOURCES AND METHODS

3 The conceptual framework used in SEE aligns closely with the standards and guidelines set out in Resolutions of the International Conference of Labour Statisticians. Descriptions of the underlying concepts and structure of Australia's employment and earnings statistics, and the sources and methods used in compiling these estimates, are presented in **Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001)** which is available on the ABS web site.

SCOPE

4 All public sector employees who received pay in any pay period ending within the quarter are represented in the survey, except:

- members of the Australian permanent defence forces
- employees of overseas embassies, consulates, etc.
- employees based outside Australia
- employees on workers' compensation who are not paid through the payroll
- directors and office holders of public sector enterprises who are not paid a salary.

SURVEY METHODOLOGY AND DESIGN

5 The SEE collects information each quarter, using mail questionnaires, from a sample survey of approximately 2,500 public sector employers selected from the ABS Business Register. Data for a number of government departments are collected electronically.

6 The statistical unit for the survey comprises all activities of a public sector employer in a particular state or territory. Statistical units are stratified by state, industry and employment size, and within each stratum, statistical units are selected with equal probability.

7 Each statistical unit is classified to an industry which reflects the primary activity of the organisation in the state or territory. Industry is classified according to the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 1993** (cat. no. 1292.0).

STATISTICAL UNITS DEFINED ON THE ABS BUSINESS REGISTER

8 The ABS uses an economic statistics units model on the ABS Business Register to describe the characteristics of businesses (and other organisations, including government departments), and the structural relationships between related businesses. The units model is also used to break groups of related businesses into relatively homogeneous components that can provide data to the ABS.

9 In mid 2002, to better use the information available as a result of The New Tax System, the ABS changed its economic statistics units model. The new units model allocates businesses to one of two sub-populations. The vast majority of businesses are in what is called the ATO Maintained Population, while the remaining businesses are in the ABS Maintained Population. Together, these two sub-populations make up the ABS Business Register population.

ATO Maintained Population

10 Most businesses and organisations in Australia need to obtain an Australian Business Number (ABN), and are then included on the ATO Australian Business Register. Most of these businesses have simple structures; therefore the unit registered for an ABN will satisfy ABS statistical requirements. For these businesses, the ABS has aligned its statistical units structure with the ABN unit. The businesses with simple structures constitute the ATO Maintained Population, and the ABN unit is used as the economic statistics unit for all economic collections.

ABS Maintained Population

11 For the population of businesses where the ABN unit is not suitable for ABS statistical requirements, the ABS maintains its own units structure through direct contact with the business. These businesses constitute the ABS Maintained Population. This population consists typically of large, complex and diverse businesses. The new statistical units model described below has been introduced to cover such businesses.

12 Enterprise Group: This is a unit covering all the operations in Australia of one or more legal entities under common ownership and/or control. It covers all the operations in Australia of legal entities which

are related in terms of the current Corporations Law (as amended by the **Corporations Legislation Amendment Act 1991**), including legal entities such as companies, trusts, and partnerships. Majority ownership is not required for control to be exercised.

13 Enterprise: The enterprise is an institutional unit comprising (i) a single legal entity or business entity, or (ii) more than one legal entity or business entity within the same Enterprise Group and in the same institutional sub-sector (ie they are all classified to a single Standard Institutional Sector Classification of Australia sub-sector).

14 Type of Activity Unit (TAU): The TAU comprises one or more business entities, sub-entities or branches of a business entity within an Enterprise Group that can report production and employment data for similar economic activities. When a minimum set of data items is available, a TAU is created which covers all the operations within an industry sub-division (and the TAU is classified to the relevant sub-division of ANZSIC). Where a business cannot supply adequate data for each industry, a TAU is formed which contains activity in more than one industry sub-division.

15 For more information on the impacts of the introduction of the new economic statistics units model, refer to **Information Paper: Improvements in ABS Economic Statistics [Arising from The New Tax System], 2002** (cat. no. 1372.0).

STANDARD INSTITUTIONAL SECTOR CLASSIFICATION

16 Institutional units are classified by broad economic functions according to the Standard Institutional Sector Classification of Australia (SISCA) which is a key component of the general national accounting framework. For more details refer to **Standard Economic Sector Classifications of Australia (SESCA), 2002** (cat. no. 1218.0). Data split by the SISCA classification are available on request.

SEASONAL ADJUSTMENT

17 Seasonally adjusted data are available for the public sector employee series. Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences can be more clearly recognised. Seasonal adjustment does not aim to remove the irregular or non-seasonal influences which may be present in any particular series. Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series even after adjustment for seasonal variation. This means that quarter-to-quarter movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour.

18 The Survey of Employment and Earnings uses the concurrent seasonal adjustment method to derive seasonal factors. Concurrent seasonal adjustment uses data up to and including the current quarter to estimate seasonal factors for the current and all previous quarters. This process can result in revisions each quarter to estimates for earlier periods. However, in most instances, the only noticeable revisions will be to the seasonally adjusted estimates for the previous quarter and one year prior to the current quarter.

19 While seasonal factors for the complete time series are estimated each quarter, they will continue to be reviewed annually at a more detailed level to take into account each additional year's original data. This annual review will not normally result in significant changes to published estimates. The review will be conducted in December each year with the results reflected in the March issue of this publication.

20 Details about the method of seasonal adjustment of these series are available on request.

TREND ESTIMATES

21 Seasonally adjusted estimates can be smoothed to reduce the impact of irregular or non-seasonal influences. Smoothed seasonally adjusted series are called trend estimates.

22 The ABS considers that trend estimates provide a more reliable guide to the underlying direction of the original estimates, and are more suitable than either the seasonally adjusted or original estimates for most business decisions and policy advice.

23 Trend estimates, obtained by dampening out the irregular component from the seasonally adjusted series, are calculated using a centred 7-term Henderson moving average of the seasonally adjusted series. Estimates for the three most recent quarters cannot be calculated using this centred average method; instead an asymmetric average is used. This can lead to revisions in the trend estimates for the last three quarters when data become available for later quarters. Revisions of trend estimates will also occur with revisions to the original data and re-estimation of seasonal adjustment factors.

24 If a series is highly volatile then the trend estimates will be subject to greater revision for the latest few quarters as new data become available. However, it is important to note that this does not make the trend series inferior to the seasonally adjusted or original series.

25 For more information, refer to **Information Paper: A Guide to Interpreting Time Series - Monitoring Trends** (cat. no. 1349.0), available free of charge from the ABS web site.

INPUT INTO THE AUSTRALIAN NATIONAL ACCOUNTS

26 The SEE collects quarterly employee earnings for the public sector as one of the inputs in estimating the gross domestic product component of the Australian National Accounts. Prior to March quarter 2002 the SEE also collected these data for the private sector. From March quarter 2002 private sector data are collected in the Quarterly Business Indicators Survey and are published in **Business Indicators, Australia** (cat. no. 5676.0).

RELATED PUBLICATIONS

27 Users may also wish to refer to the following publications which are available on request:

- **Australian Labour Market Statistics** (cat. no. 6105.0) - issued quarterly
- **Average Weekly Earnings, Australia** (cat. no. 6302.0) - issued quarterly
- **Business Indicators, Australia** (cat. no. 5676.0) - issued quarterly
- **Employee Earnings and Hours, Australia** (cat. no. 6306.0) - issued biennially
- **Information Paper: Improvements in ABS Economic Statistics [Arising from The New Tax System], 2002** (cat. no. 1372.0) - issued 6 May 2002
- **Information Paper: Improvements to Australian Bureau of Statistics Quarterly Business Indicators, 2001** (cat. no. 5677.0) - issued 6 July 2001
- **Labour Force, Australia** (cat. no. 6202.0) - issued monthly
- **Labour Statistics: Concepts, Sources and Methods** (cat. no. 6102.0.55.001)
- **Labour Price Index, Australia** (cat. no. 6345.0) - issued quarterly

28 Current publications and other products released by the ABS are listed in the **Catalogue of Publications and Products** (cat. no. 1101.0). The Catalogue is available from any ABS office or the ABS web site. The ABS also issues a daily Release Advice on the web site which details products to

be released in the week ahead.

ROUNDING

29 Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

SUPPRESSION OF DATA

30 Some data have been suppressed to prevent disclosure, either directly or by inference, of information relating to individual statistical units. These data have been replaced by the symbol 'np', but are included in totals.

Glossary

GLOSSARY

Commonwealth government employees

Employees of all departments, agencies and authorities created by or reporting to the Commonwealth Parliament. Those bodies run jointly by the Commonwealth government and state governments are classified to Commonwealth.

General government enterprises

Public sector enterprises mainly engaged in the production of goods and services, outside the normal market mechanisms, providing these goods and services to the general public. The cost of operations is often financed from public revenues (e.g. government departments).

Gross earnings

Payments to employees before tax and other items (such as superannuation) are deducted. They comprise amounts paid from interstate or overseas; ordinary time and overtime earnings; over-award payments; penalty payments, shift and other remunerative allowances; commissions and retainers; bonuses and similar payments; payments under incentive or piecework; payments under profit-sharing schemes; leave loadings; annual and long service leave payments; sick leave payments; advance and retrospective payments; salaries and fees paid to directors, members of boards, committees, commissions, councils, etc.; amounts paid to employees on workers' compensation who continue to be paid through the payroll; and severance, termination and redundancy payments.

Industry

Industry is classified according to the Australian and New Zealand Standard Industrial Classification.

Institutional sector

Institutional sector is classified according to the Standard Institutional Sector Classification of Australia.

Local government employees

Employees of municipalities and shires and other local authorities created by or subject to the provisions of local government legislation, such as county councils in New South Wales.

Number of employees

All public sector wage and salary earners who received pay for any part of the relevant pay period, including:

- permanent, temporary, casual, managerial and executive employees
- part-time and casual employees who may have received pay for only a few hours during the reference period
- employees on paid leave and those on workers' compensation who continue to be paid through the payroll.

Employees who, for the whole pay period, were on leave without pay, on strike or who were stood down without pay are excluded. Casual employees who work on an irregular basis and who were not paid for the relevant pay period are also excluded.

Public financial enterprises

Public sector enterprises actively involved in financial market transactions such as borrowing and lending. Excluded are those public bodies whose funds flow directly to or from general government revenue.

Public sector employees

Administrative employees and all other employees of Commonwealth, state and local government businesses and financial undertakings engaged in services and activities such as railways, road transport, banks, postal and telecommunications, education, radio, television, police, public works, factories, marketing authorities, hospitals and welfare institutions.

Public trading enterprises

Public sector enterprises predominantly engaged in the production of goods and services with an intention of maximising profits and financial returns with most operating costs being derived from trading activities.

Reference period for earnings

All pay periods which end within the quarter.

Reference period for the number of employees

The last pay period ending on or before the third Friday of the middle month of the quarter.

State government employees

Employees of all state government departments and authorities created by, or reporting to, state parliaments, including organisations for which the Commonwealth has assumed financial responsibility. Following self-government, employees of the Northern Territory and the Australian Capital Territory administrations have been classified to state government. Employees of state governments employed interstate are included in the estimates of the state in which they are based.

Abbreviations

ABBREVIATIONS

ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
ATO	Australian Taxation Office
SEE	Survey of Employment and Earnings
SISCA	Standard Institutional Sector Classification of Australia
TAU	type of activity unit

Technical Note

TECHNICAL NOTE - DATA QUALITY

RELIABILITY OF ESTIMATES

1 As the estimates from the Survey of Employment and Earnings are based on information collected from a sample of public sector employers rather than a full enumeration, they are subject to sampling variability. That is, they may differ from the estimates that would have been produced if the information had been obtained from all public sector employers. This difference, called **sampling error**, should not be confused with inaccuracy that may occur because of imperfections in reporting by respondents or in processing by the ABS. Such inaccuracy is referred to as **non-sampling error** and may occur in any enumeration whether it be a full count or a sample. Efforts have been made to reduce non-sampling error by careful design of questionnaires, detailed checking of returns and quality control of processing.

2 The sampling error associated with any estimate can be estimated from the sample results. One measure of sampling error is given by the **standard error** which indicates the degree to which an estimate may vary from the value that would have been obtained from a full enumeration (the 'true value'). There are about two chances in three that a sample estimate differs from the true value by less than one standard error, and about nineteen chances in twenty that the difference will be less than two standard errors.

3 An example of the use of standard error on levels estimates is as follows. If the estimated number of employees was 1,400,000 with a standard error of 3,000, then there would be about two chances in

three that a full enumeration would have given a figure in the range 1,397,000 to 1,403,000 and about nineteen chances in twenty that it would be in the range 1,394,000 to 1,406,000.

4 An example of the use of standard error on movements is as follows. If the estimated standard error for a quarterly change estimate of employees was 2,000 and the quarterly change estimate between two quarters was 10,000 persons, then there would be about two chances in three that a full enumeration would have given a quarterly change estimate in the range 8,000 to 12,000 persons and about nineteen chances in twenty that it would be in the range 6,000 to 14,000 persons.

5 Quarterly movements in estimates of employees and earnings are considered to be statistically significant where they exceed two standard errors.

6 Another measure of the sampling error (for level estimates only) is the **relative standard error**, which is obtained by expressing the standard error as a percentage of the estimate to which it refers. Estimates with relative standard errors greater than 25% are not considered sufficiently reliable for most purposes and should be used with caution.

7 The following table shows the standard errors for level and movement estimates based upon data for the current quarter. Standard errors for other estimates are available on request.

STANDARD ERRORS, Public sector employees and gross earnings - September Quarter 2005

	Employees ('000)				Gross Earnings (\$m)			
	C'wealth	State	Local	Total	C'wealth	State	Local	Total
LEVEL								
New South Wales	0.3	1.8	1.5	2.1	4.9	29.8	17.1	29.0
Victoria	0.8	2.6	1.1	2.6	14.1	11.8	9.5	12.4
Queensland	0.4	0.6	1.3	1.3	5.2	10.0	10.5	12.8
South Australia	0.3	0.7	0.6	0.6	3.6	8.1	7.2	6.1
Western Australia	0.4	0.5	1.0	0.9	5.3	5.0	9.5	8.2
Tasmania	0.3	0.1	0.1	0.3	3.9	1.5	1.1	3.7
Northern Territory	0.1	0.3	0.2	0.3	1.6	0.7	0.9	1.5
Australian Capital Territory	0.2	0.1	..	0.2	4.3	1.9	..	4.3
Australia	1.2	3.3	2.6	3.8	18.1	35.0	25.2	36.0
QUARTERLY MOVEMENT								
New South Wales	0.2	1.7	1.1	1.7	3.7	29.7	11.3	26.8
Victoria	0.4	1.9	0.9	1.9	7.9	11.9	6.7	12.8
Queensland	0.3	0.7	1.0	1.1	4.0	10.2	6.5	10.2
South Australia	0.2	0.9	0.6	0.9	2.7	10.2	8.0	8.1
Western Australia	0.2	0.2	0.7	0.7	2.8	3.0	6.8	6.5
Tasmania	0.2	0.1	0.2	0.2	2.4	1.3	2.2	2.0
Northern Territory	0.1	0.3	0.3	0.4	1.8	1.1	1.0	1.8
Australian Capital Territory	0.2	0.1	..	0.2	3.1	1.6	..	3.1
Australia	0.7	2.9	2.0	3.1	11.2	35.2	18.2	33.3

.. not applicable